

# Proposed Fines and Fees Reform Fact Sheet Mayor Lori Lightfoot July 23, 2019

## **Background Statistics**

- Chicago Revenues from Fines and Penalties (Parking Tickets, Red-Light and Speed Cameras, Building Code Violations)
  - o 2008: \$257.5 million
  - o 2017: \$344.9 million (9.4% of 2017 revenues)
  - o 2018: Vehicle tickets alone accounted for more than \$260 million.
- There are more than 69,000 driver's licenses in suspension status for non-payment of fines and fees. Roughly 57,000 will be eligible for reinstatement.
- A Rutgers study found 42 percent of survey respondents lost their jobs when they had their driving privileges suspended. 45% of those who lost their job because of a suspension could not find another job.
- In 2017, DOF and CPD issued more than two million tickets.
- In 2018, there were 14,099 Chapter 13 bankruptcy filings in Cook County.
  - A 2016 study by Columbia Law faculty that studied Cook County Chapter 13 filings found that between one-third and half of Chapter 13 filers filed for bankruptcy because local governments suspended, or were threatening to suspend, their driver's licenses or seize their cars because they had accumulated excess fines.

## **Reform Details**

Driver's License Suspension

- City Level: Proposed ordinance includes language allowing City to stop referring people to the Secretary of State for driver's license suspension. Upon passage of the ordinance, the City will stop referring cases where the violations involved are non-driving violations such as parking tickets, city sticker tickets, or license plate expiration tickets.
- State Level: Public support of the License to Work Act (SB 1786), which would end driver's license suspensions for failure to pay non-driving violations throughout the State.

#### City Sticker Reforms

- End Doubling of City Sticker Tickets: Currently city sticker tickets double from \$200 to \$400
  after late fees. Under the proposed ordinance, city sticker tickets would only be \$250 with late
  fees.
- Reinstate 15-Day Grace Period For City Sticker Tickets: Previously, Chicago drivers had a 15 day grace period after the expiration of their city stickers before they were ticketed. This proposed ordinance restores that grace period.
- No Same-Day Or Consecutive Day Ticketing For Compliance Violations: Under the proposed
  rule, if a resident receives a ticket for a compliance violation like not having a city sticker or valid
  license plate, they will have a full day to get into compliance before they are allowed to be
  ticketed again.
- City Sticker Ticket Amnesty Program: The City is also proposing an amnesty program focused on City Vehicle Sticker tickets that would be focused on bringing people into compliance. This



program is being developed in coordination with the Office of the Clerk's introduction of the fourmonth sticker and late fee amnesty.

### Payment Plans

- 6 Month Payment Plan for All: All individuals who receive a ticket will be able to sign up for an
  early payment plan that allows them to pay their debt without any late fees for six months. This
  program does not require proof of any hardship or documentation.
- Lower Down Payments: The new payment plan system allows for lower down payments of \$35 on the early plan, \$50 on the standard plan and \$100 plus the boot/tow fee for the hardship extended plan. By lowering the barrier to entry for payment plans, people will have options that help them get back into compliance.
- Longer Time To Pay For Those With Financial Hardship: Individuals who are under a financial hardship can now pay their debts over longer periods of time, reducing monthly payments.

	Early	Standard	Extended
Eligibility	Sign up before late fees.	Sign up before booted, towed or license suspended.	Sign up after booted, towed, or license suspended.
Non-Hardship Down Payment	\$35 or first month's payment	\$50 or first month's payment	50% of total debt
Hardship Down Payment	\$35 or first month's payment	\$50 or first month's payment	Boot/Tow Fee + \$100*
Non-Hardship Maximum Term	6 months	24 months	24 months
Hardship Maximum Term	6 months	60 months	60 months

### **Boot Reforms**

- 24 Hour Extension: Currently, after a car has been booted, an individual has 24 hours to either
  pay in full or get on a payment plan before their car is towed. This new ordinance will allow
  individuals to request an additional 24 hours prior to a tow.
- First Time Boot Program for Those With Financial Hardship: For those qualifying for a financial hardship, the proposed ordinance allows for individuals who are booted for the first time to redeem their cars by just paying the \$100 boot fee and enrolling in a payment plan.

## Hardship Definition

- Hardship is defined as under 300% of Federal Poverty Level or experiencing a financial emergency or financial uncertainty
- Various forms of proof will be accepted including participation in certain government assistance
  programs, enrollment in community programs that document low-income status, experiencing
  events such as foreclosure, eviction, bankruptcy, homelessness, domestic violence, or showing proof
  of status as a student, senior or active military.